



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Wandzia Grycz

SUBJECT: SEE BELOW

DATE: June 1, 2004

Approved

Date

COUNCIL DISTRICT: N/A
SNI: N/A

SUBJECT: Execution of an Amendment to an Agreement between the City of San Jose and The Application Group, LLC, Inc.

RECOMMENDATION

Approve a resolution authorizing the City Manager to execute an Amendment to the Agreement between the City of San Jose and The Application Group, LLC, Inc., for professional services. The maximum compensation will increase from \$99,000 to \$199,000 and the term will be extended from September 1, 2004 to October 1, 2004.

BACKGROUND

In January 2004, the City entered into an agreement with The Application Group (TAG) for professional services in support of New City Hall (NCH) technology procurements and the City's Metro-Wide Wireless Initiative. This agreement was amended in May 2004. TAG is currently assisting the Information Technology Department (ITD) in a number of projects, namely, the procurement processes for the Converged Network and the Server/Storage Area Network for the NCH, and the development of the City's Metro-Wide Wireless Initiative.

ANALYSIS

This amendment provides funding for TAG to continue its work on the NCH procurements and the City's Wireless Initiatives until the projects are completed in Fall 2004. TAG offers a great deal of expertise on both the technology needs of the City and the new converged network and wireless technologies. TAG's Principal assigned to the City has over twenty years of information technology technical and project management experience. He has served in the positions of System Engineer, System Administrator, Project and Program Manager, Systems Manager, Director, Vice President and Chief Information Officer. TAG has been involved in multiple RFP preparations, response evaluations and vendor selections for large public agencies, including the City. This firm has also supported and facilitated multiple large-scale server acquisitions and data center population projects.

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TAG possesses a great deal of familiarity with City technology procurement practices, and, more specifically, with the planned New City Hall (NCH) technology systems. Given TAG's expertise, involvement in the planned NCH technology systems, and the aggressive and time-critical nature of these procurements, TAG was initially identified as a 'sole source' for these services. Amending this agreement is critical to the ultimate success of these projects as the Information Technology Department already has experienced resource reductions and is expected to absorb additional staff reductions in the upcoming fiscal year. TAG will also continue to assist in planning, RFP development, and vendor selection for the most significant NCH procurement processes.

In addition, TAG will continue to provide strategic planning and project management direction in the planning for the City-Metro-Wide Wireless Initiative. This project includes development of the Wireless Strategy, identifying what is currently in place, defining potential business models for the City to support a Wireless initiative, City use of wireless, and the development of a phased implementation plan.

COST IMPLICATIONS

This item is consistent with General Principal #7 approved by Council..."We must continue to streamline, innovate, and simplify our operations so that we can deliver services at a higher quality level, with better flexibility, at a lower cost."

MANAGED COMPETITION

The City does not have the staffing resources with sufficient expertise in house to complete this project by the required NCH deadlines.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

BUDGET REFERENCE

Fund:	General Fund
Appn:	0432
Amount:	\$3,889,627
Budget Document:	Page 356, 2003-2004 Adopted Operating Budget

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CEQA

Not a project.

WANDZIA GRYCZ
Chief Information Officer